

**Environmental and Public Protection  
Alcoholic Beverage Control**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Recommended FY 2007</b>	<b>Recommended FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	1,380,800	1,515,700	1,562,100	1,441,400	1,058,600
Salary Compensation Fund	60,600				
<b>Total General Fund</b>	1,441,400	1,515,700	1,562,100	1,441,400	1,058,600
<b>Restricted Funds</b>					
Balance Forward	1,772,400	2,193,100	2,109,000	30,600	39,200
Current Receipts	4,919,900	5,144,900	5,318,300	5,144,900	5,318,300
Non-Revenue Receipts	-120,700	-722,300	-730,400	-722,300	-730,400
Fund Transfers	-3,011,700			-836,200	-457,600
<b>Total Restricted Funds</b>	3,559,900	6,615,700	6,696,900	3,617,000	4,169,500
<b>TOTAL SOURCE OF FUNDS</b>	5,001,300	8,131,400	8,259,000	5,058,400	5,228,100
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	4,195,600	4,722,600	4,970,500	4,196,900	4,281,300
Operating Expenses	775,100	1,243,800	1,208,500	822,300	908,900
Capital Outlay		56,000			
<b>TOTAL EXPENDITURES</b>	4,970,700	6,022,400	6,179,000	5,019,200	5,190,200
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	1,441,400	1,515,700	1,562,100	1,441,400	1,058,600
Restricted Funds	3,529,300	4,506,700	4,616,900	3,577,800	4,131,600
<b>TOTAL EXPENDITURES</b>	4,970,700	6,022,400	6,179,000	5,019,200	5,190,200
<b>EXPENDITURES BY UNIT</b>					
Administration, Enforcement and License	4,598,600	5,658,900	5,815,500	4,655,700	4,826,700
Tobacco Enforcement	372,100	363,500	363,500	363,500	363,500
<b>TOTAL EXPENDITURES</b>	4,970,700	6,022,400	6,179,000	5,019,200	5,190,200

The Office of Alcoholic Beverage Control (ABC), pursuant to KRS Chapters 241-244, enforces laws relating to the manufacture, sale, transportation, storage, and advertising of alcoholic beverages. The agency does not collect taxes.

The Executive Director of the Office serves as both the agency's administrative officer and the Chairman of the Alcoholic Beverage Control Board, which also includes the administrators of the Malt Beverage and Distilled Spirits divisions. The Governor appoints all three.

In exercising its quasi-judicial authority, the ABC Board may suspend, revoke, or cancel for cause, after hearing, any license issued relating to violation of alcoholic beverage laws. The ABC Board also conducts hearings for and appeals from an applicant whose license is refused by city or county administrators.

The Office has enforcement officers assigned throughout the state who conduct investigations, make regular inspections, and otherwise monitor compliance with ABC laws.

The Department implements laws relating to the sale and use of tobacco products.

**Policy**

Included in the above General Fund appropriation is \$258,600 in each year of the biennium to carry out the provisions of KRS 438.337 relating to regulation and enforcement of tobacco sales to minors.

Notwithstanding KRS 243.025(3), the Office of Alcoholic Beverage Control shall transfer Restricted Funds in the amounts of \$3,011,700 in fiscal year 2006; \$836,200 in fiscal year 2007 and \$457,600 in fiscal year 2008 to the General Fund.